

1 **Proceedings**

2 **considerable effort and expense to locate**
3 **these documents and review them and produce**
4 **them, and we are asking for the Debtors to do**
5 **no more and no less. These are their**
6 **documents in these depositories and their**
7 **indexes. Certainly they know them better**
8 **than we do. Someone has gone through one of**
9 **these indexes and identified boxes with**
10 **responsive documents, and I think they can do**
11 **that with regard to the rest of them.**

12 **Your Honor, if the Court would**
13 **like, we can present a motion to compel and**
14 **we can brief these issues, and I think that**
15 **might be the appropriate thing to do.**

16 **JUDGE GONZALEZ: I think you are**
17 **going to have to, because I believe what I am**
18 **going to need is some form of affidavit**
19 **regarding the motion to be filed in response**
20 **to it to set forth what has been done and**
21 **what the legal arguments are regarding what**
22 **has to be done.**

23 **MR. WOOD: Your Honor, Parus**
24 **Holdings will file a motion to compel. I**
25 **would like 14 days to get that on file**

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2 because of the upcoming July 4th holiday.

3 **JUDGE GONZALEZ:** That is all right.

4 **MR. BIGUS:** Your Honor, I am going
5 to assume when he does that, you want an
6 informal letter request pursuant to the
7 procedures and the local rules or at this
8 point you want a formal motion that we
9 actually come to New York and argue?

10 **JUDGE GONZALEZ:** I think at this
11 point it has dragged on a little bit longer
12 than it should have from my end, so you might
13 as well do a formal motion. I don't think we
14 are going to get very far with informal
15 letter responses at this stage.

16 **MR. BIGUS:** I would like to inform
17 the Court that I am out the 8th through the
18 18th of July, and that any hearing that we
19 need on this needs to be after that date, so
20 that I don't get stuck trying to move a
21 hearing during the time period when I am
22 already scheduled to be out of the office.

23 **MR. WOOD:** We will obviously work
24 with counsel.

25 **JUDGE GONZALEZ:** Work through that.

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2 I think you can check the Court's docket and
3 see what dates are available early in August
4 for WorldCom, and you may pick one of those
5 dates.

6 MR. BIGUS: Mr. Wood, I am telling
7 you right now that if you want to start by
8 reviewing document boxes which have been
9 highlighted, tell me when you want to be at
10 which depository, and you can start
11 reviewing.

12 MR. WOOD: We will prepare our
13 motion and submit it to the Court.

14 Your Honor, as far as the deadline
15 for disclosing expert witnesses is concerned,
16 the parties had agreed to a new deadline of
17 120 days beyond the original deadline.

18 JUDGE GONZALEZ: Let's leave it at
19 that for now, and then ultimately I guess it
20 gets addressed at that hearing

21 MR. WOOD: Thank you, Your Honor.

22 MR. BIGUS: Thank you, Your Honor.

23 (Time noted: 3:28 p.m.).
24
25

C E R T I F I C A T E

STATE OF NEW YORK)

: SS:

COUNTY OF NEW YORK)

I, DEBORAH HUNTSMAN, a Shorthand
Reporter and Notary Public within and for the
State of New York, do hereby certify:

That the within is a true and
accurate transcript of the proceedings taken
on the 29th day of June, 2005.

I further certify that I am not
related by blood or marriage to any of the
parties and that I am not interested in the
outcome of this matter.

IN WITNESS WHEREOF, I have hereunto
set my hand this 1st day of July, 2005.

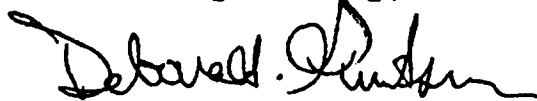

DEBORAH HUNTSMAN

Exhibit L

1
2
3 UNITED STATES BANKRUPTCY COURT
4 SOUTHERN DISTRICT OF NEW YORK

5 In re

6 WORLDCOM, INC., et al,

Case No.

02-13533

7 Reorganized Debtors.

ORIGINAL

8 August 9, 2005

9 10:40 a.m.

10 United States Custom House
11 One Bowling Green
New York, New York 10004

12 E X C E R P T

(Parus Holdings, Inc.)

13 10:30 Motion by Parus Holdings, Inc. to
14 compel production of documents and to extend
15 discovery deadlines.

16 Response filed.

17
18 B E F O R E:

19 THE HONORABLE ARTHUR J. GONZALEZ
20 United States Bankruptcy Judge
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BY: STEPHEN A. WOOD, ESQ.

1 Proceedings

2 (Whereupon, the following is an
3 excerpt from the proceedings taken on 8/9/05
4 in re WorldCom, Inc., et al, Case No.
5 02-13533)

6 JUDGE GONZALEZ: I will take a
7 brief recess so that the parties on Parus
8 Holdings, who are present in the courtroom,
9 may set themselves up. I will return at
10 10:30.

11 (Whereupon, from 10:25 p.m. to
12 10:40 a.m. a recess was taken.)

13 JUDGE GONZALEZ: Please be seated.

14 Parus Holdings?

15 MR. WOOD: Good morning, Your
16 Honor. Stephen Wood on behalf of the
17 Claimant Parus Holdings.

18 This is Parus Holdings' motion to
19 compel production of documents from the
20 Debtors Intermedia Communications and MCI
21 Worldcom Communications, Inc. Our motion
22 contains an exhaustive recitation of the
23 circumstances surrounding this discovery
24 dispute. I don't intend this morning to wade
25 through all of the details. I would like to

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2 highlight certain facts that I think are
3 particularly pertinent to the motion.

4 On February 7, 2005, over six
5 months ago, we served our request for
6 production of documents. On March 25, 2005,
7 we received a written response from the
8 Debtors. They objected to every single one
9 of our requests. Along with this, we
10 received the production of 33 documents
11 consisting of over 343 pages. In this
12 production in their written response the
13 Debtors indicated that they had thousands of
14 boxes of documents within warehouses. We had
15 been informed about this probably a couple of
16 weeks before that by telephone. We don't
17 know at this point exactly how long it is the
18 Debtors had known about these boxes in
19 warehouses.

20 Interestingly, during the
21 teleconference with the Court on June 29th,
22 where we were given leave to present this
23 motion to compel, the Court suggested that
24 the Debtors submit an affidavit regarding
25 their efforts to produce documents. I

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2 haven't seen such an affidavit so far, Your
3 Honor.

4 Now, after March 25th, for several
5 weeks we didn't receive any further
6 communication or documents from the Debtors,
7 so on May 12th I contacted Debtors' counsel
8 to inquire about documents, but also about
9 the scheduling order because we had a June
10 20th deadline for disclosing experts. I
11 represented to Debtors' counsel that since we
12 hadn't received the documents and we hadn't
13 taken depositions of any of their witnesses,
14 we weren't in a position to disclose our
15 experts. I asked them to agree to amend the
16 schedule. They subsequently informed me that
17 they would object and would not agree to
18 amending the schedule allowing us additional
19 time to disclose experts.

20 Finally, on May 31st I received,
21 not documents, but a proposal from Debtors'
22 counsel for production of these thousands of
23 boxes of documents that were stored in
24 warehouses. The essence of the proposal was
25 that there were indexes for these documents.

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2 The indexes were not very precise. In fact,
3 Debtors' counsel admitted they were not able
4 to use these indexes to help them identify
5 responsive documents. Nevertheless, they
6 wanted to provide us with these indexes and
7 they invited us to review them to identify
8 boxes of documents that were responsive to
9 our requests, that they would then review for
10 privilege and confidentiality and produce it
11 to us. This proposal again recited the
12 litany we had heard earlier about thousands
13 of boxes of documents stored in multiple
14 locations around the country.

15 Now, the letter also interestingly
16 indicated that they hadn't actually reviewed
17 any of the stored documents at that point.
18 There was no mention in this proposal
19 regarding electronic documents. Now, we
20 wrote them back the next day and, frankly, we
21 resisted this proposal. I didn't feel that
22 if their own indexes were not helpful to
23 them, they would be of any use to us.

24 Now, there was a hearing before
25 Your Honor on June 14th on another motion.

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2 Parus had brought a motion to amend that was
3 argued on that day. During the argument on
4 that motion, I raised the issue of the
5 scheduling order and the discovery problems,
6 and the Court directed the parties to confer
7 about the schedule and about these discovery
8 issues. As a result of that conference with
9 counsel, we agreed to take a look at their
10 indexes and they were going to try to move
11 the process forward.

12 The next thing is the indexes were
13 transmitted to us. I looked at them
14 personally and they really were not of any
15 help to us. There are a number of codings
16 that are used in these indexes that are
17 meaningless to us, and we were not able to
18 identify boxes of responsive documents with
19 these indexes.

20 Now, as I said, this Court held a
21 telephone conference on June 29th regarding
22 the scheduling order and these discovery
23 issues. Interestingly, that morning I
24 received a telephone call from Debtors'
25 counsel where they offered to agree to a

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2 120-day extension to our deadline to
3 disclosure experts. I don't know what
4 happened in the interim to cause them to
5 change their position, but it may have had
6 something to do with the fact that a
7 conference was scheduled with the Court that
8 afternoon. I asked them if they would then
9 agree to produce the documents by a date
10 certain in advance of the disclosure deadline
11 for our experts and they refused to.

12 Now, prior to the telephone
13 conference with the Court on June 29th, the
14 Debtors also began to take the position that
15 they had, in fact, produced their documents.
16 I received an e-mail communication from
17 Debtors' counsel which stated the following:
18 "On May 31, 2005 we sent you a letter which
19 produced the documents and talked about the
20 procedures for production. We have advised
21 you as to the location of the documents. You
22 have an index of the documents. The
23 documents have been produced and it is up to
24 you to inform us as to when you want to
25 review the documents."

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Additionally, there is the subject of the cost of review. "Since you want to examine the documents we expect that you will pay the cost of removing them from the storage shelves and returning them to the storage shelves." Now, they are asking us to also pay for the costs of reviewing their documents.

We advised the Debtors on the 27th of June that their indexes were not helpful. Frankly, since the 25th of the March, when we received their written response to our request for production of documents, it appeared as though the Debtors really hadn't done anything with regard to these stored documents and reviewing and producing them to us.

Now, in an e-mail to the Debtors' counsel on the 27th of June, we found out that there were still more documents that evidently were responsive that they were intending to produce. I don't know where these documents were kept or where they were coming from or why they hadn't been produced

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2 earlier. There was no explanation with
3 regard to that in the e-mail communication
4 from Debtors' counsel.

5 Now, as I said, there was an
6 informal conference with Your Honor on the
7 29th of June, where we were granted leave to
8 file a motion to compel. Within an hour
9 after that telephone conference had
10 concluded, we received an offer from Debtors'
11 counsel where for the first time they agreed
12 to review their boxes of documents for
13 responsiveness. This was made in spite of
14 earlier representations from the Debtors that
15 they had done more than the rules required,
16 and despite earlier representations by the
17 Debtors, that they had no way to tell which
18 boxes of documents were responsive.

19 Now, in response to this proposal,
20 I saw this as progress, Your Honor, but they
21 still wanted us to absorb costs for producing
22 these documents, and they would not commit to
23 producing the documents by a date certain.
24 For those reasons, I declined their offer.

25 Amazingly, a few days later we

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2 received a supplemental document response,
3 which contained objections to every single
4 one of our document requests with no
5 documents. On that same day we also received
6 correspondence from Debtors' counsel wherein
7 they demanded that we respond with all of our
8 remaining documents to be produced within 10
9 days. In light of their position and their
10 refusal to commit to producing their own
11 documents by a date certain, I found this
12 demand to be quite astounding.

13 I suspect that counsel for the
14 Debtors will represent to the Court that all
15 of the steps that they have taken so far have
16 been reasonable and in compliance with the
17 rules. I don't agree with that, Your Honor.

18 In our motion we have cited the
19 Chemtex case, which is a Southern District of
20 New York case, which I believe supports our
21 position. Rule 34 of the Federal Rules of
22 Civil Procedure, which is applicable to this
23 proceeding, provides that parties may produce
24 documents in the manner in which they are
25 kept in the usual course of business.

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2 However, I believe that the usual course of
3 business does not cut it, if you will, when
4 that claim has the effect of affording
5 legitimate discovery. This is the point that
6 is made by the Court in the Chemtex case. In
7 that case the plaintiffs served a request for
8 documents. The documents were organized
9 chronologically, rather than by customers.
10 The plaintiffs were seeking documents
11 relevant to a couple of particular customers.
12 The defendant in that case invited the
13 plaintiffs to come in and review the
14 documents in the manner in which they were
15 allegedly kept in the usual course of
16 business. The Court held that that was
17 insufficient under the rules, because the
18 state of the corporation's records would make
19 it unreasonably burdensome for the
20 discovering party to search for the sought
21 after documents, the burden falls to the
22 discoveree to organize the documents so that
23 the discoverer can make reasonable use of
24 them.

25 Now, the cases that have been cited

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2 by the Debtors in their response to our
3 motion, I believe, Your Honor, are actually
4 not inconsistent with this principle. I
5 believe the courts in those cases came to the
6 conclusion that responsive documents were, in
7 fact, produced in those cases and that
8 plaintiffs had been given reasonable access
9 to those documents. That is not the case
10 here.

11 Now, in the response the Debtors
12 indicate that they are prepared to review and
13 produce 387 boxes of documents from these
14 warehouses that they have been discussing
15 repeatedly throughout this discovery dispute.
16 I don't know why they didn't offer to produce
17 these 387 boxes of documents back in March.
18 I don't understand. My client is frankly
19 troubled, Your Honor, because he had to go to
20 the expense of bringing a motion to compel to
21 get progress in discovery. I think the
22 history of discovery in this case is that the
23 Debtors won't take action until there is
24 imminent Court involvement. They wouldn't
25 agree to extend the deadline for expert

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2 disclosure until we were on the cusp of a
3 teleconference with the Court, and they
4 wouldn't agree to review and produce
5 documents from these warehouses until we were
6 given permission to present a motion to
7 compel. I believe that that justifies an
8 award of fees and costs incurred in
9 presenting this motion this morning.

10 I would say one last thing about
11 this motion for summary judgment that the
12 Debtors have filed. It was filed one week
13 ago on August 1st. I believe, Your Honor,
14 that it was filed without compliance with the
15 local rules which requires parties to request
16 an informal premotion conference. Frankly,
17 the motion for summary judgment quite
18 extraordinarily states that if it is granted,
19 we would be entitled to no discovery
20 whatsoever, which I certainly don't agree
21 with and I don't agree with the merits for
22 the motion for summary judgment. I don't
23 think that the motion for summary judgment
24 should be considered, frankly, particularly
25 in light of the fact that it was improperly

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2 filed in response to our opposition to this
3 motion to compel.

4 In our motion to compel, Your
5 Honor, we didn't address the issue of
6 electronic documents. Frankly, I don't think
7 there is a sufficient factual record before
8 the Court to deal with the issue of
9 production or cost shifting with regard to
10 the Debtors' electronic documents. We
11 indicated in our motion and in the brief
12 reply, which we filed yesterday, that we
13 would like to work with the Debtors' counsel
14 to see if there was some resolution that we
15 can work out with regard to the production of
16 their electronic documents. I don't think
17 that that is an issue that is completely ripe
18 for consideration by this Court today.

19 The relief that we are seeking,
20 Your Honor, is an order directing the parties
21 to produce their responsive documents. It is
22 applicable to both parties by both sides by a
23 date certain. I am willing to listen to the
24 proposal of the Debtors' counsel concerning
25 the date. We would also like both parties to

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2 be required to produce a privilege log by
3 that same date. The order should direct the
4 parties to bear their own costs of
5 production. As I said earlier, I would
6 request an award of reasonable fees and costs
7 in connection with bringing this motion.

8 Thank you.

9 JUDGE GONZALEZ: The Debtors?

10 MR. DRISCOLL: Your Honor, this is
11 Robert Driscoll for the Debtors.

12 Initially, as a point of
13 clarification, counsel advised the Court that
14 the Debtors were to provide an affidavit to
15 the Court per the Court's advice. I forget
16 the date. June 29, 2005 was the telephone
17 conference. I have the transcript in front
18 of me and at page 14 the Court advised
19 counsel for Parus Holdings to file an
20 affidavit in connection with his anticipated
21 motion to compel, which, in fact, counsel
22 did. The Court was not directing the Debtors
23 to do that.

24 With regard to the motion to
25 compel, which is in front of the Court today,

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2 I believe it really all just centers on what
3 constitutes production of documents in the
4 usual course of business as provided by Rule
5 34 of the Federal Rules of Civil Procedure.
6 Here it regards a contract between Parus
7 Holdings' predecessor company EffectNet and
8 one of the Debtors, Intermedia, Inc.

9 As the Court knows, Intermedia is a
10 bankrupt entity that ceased functioning as a
11 going concern quite some time ago and, as we
12 have discovered, its documents have been
13 boxed up and stored. All this occurred long
14 before the current discovery request by Parus
15 Holdings.

16 As counsel has advised and the
17 papers in front of the Court advise, we are
18 told that the number of boxes of material in
19 Intermedia's documentary remains are in
20 excess of 10,000. They are located in four
21 different repositories in various parts of
22 the United States. All this is reflected in
23 the declaration of Attorney Ramsay from our
24 law firm, which is Exhibit E to our response
25 in opposition to the current motion to

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2 compel.

3 As Mr. Ramsay explained in his
4 response, just to gather the over 10,000
5 documents in one place, so that they could be
6 systematically reviewed, based on a vendor's
7 bid, it would cost approximately \$149,000.
8 That is just for logistics. It does not
9 count the cost probably double that for
10 actual review by trained personnel.

11 As to the efforts the Debtors have
12 made to deal with the document request that
13 it has presented, after the existence of
14 those documents was learned, as counsel
15 acknowledges, Parus Holdings was advised of
16 that and the Debtors offered at least two
17 options to Parus Holdings on how to deal with
18 the production of documents, both of which
19 were rejected. The first we offered to
20 provide and did provide indexes to those
21 boxes to counsel so that counsel could select
22 which boxes they wanted WorldCom to examine
23 and then produce. That was rejected as
24 reflected in Exhibit I to our response by
25 counsel on June 27th, advising that after his

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2 review of the indexes they were too general
3 and that nonresponsive documents were
4 involved and were meaningless.

5 Next WorldCom offered to review all
6 of the documents itself and to screen those
7 for privilege. It also offered to either
8 provide to Parus Holdings all of the
9 remaining documents after a privilege screen
10 or, if Parus Holdings chose, to provide all
11 documents that we believed were responsive to
12 the document request after that review. In
13 connection with that offer, there was a
14 request for a split of the logistical costs,
15 not the cost of reviewing the documents. All
16 of that is reflected on Exhibit K to the
17 Debtors' response in opposition. Again, this
18 proposal was rejected by Parus Holdings and
19 that is reflected in Exhibit L.

20 Finally, as our response starting
21 at page 9, I indicated this along with
22 Mr. Ramsay's declaration Exhibit E, WorldCom
23 is in the process of doing now what Parus
24 Holdings initially refused to do, and that
25 is, based on a review of the very same

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document indexes to first rule out those obviously nonresponsive boxes of documents based on the index and then to pull others within the time frame overlapping and before and after the contractual relationships between Intermedia and WorldCom and then to review those. As you have been advised, the number of those document boxes that we have identified is 387. They are currently located in Kansas City, having been shipped to three different repositories, and we have a team of legal personnel looking through them.

Counsel is correct, I do believe, that that constitutes a good faith effort to be in compliance with the requirements of Rule 34. I also believe that none of the authorities cited by Parus Holdings are to the contrary. All except one, the Hagemeyer case from the Eastern District of Wisconsin involved producing parties which were ongoing concerns -- General Motors, Sears, and the like. All they wanted in the Hagemeyer case involved an entity that was factually similar

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2 to Intermedia. There that producing party
3 was also going bankrupt. That party also had
4 its documents boxed and stored. That party
5 also made those documents available to the
6 other side, which the Court upon reviewing
7 all of that, deemed compliant. If the Court
8 now deems WorldCom's motion for summary
9 judgment as permissible, which I believe it
10 is --

11 JUDGE GONZALEZ: It was filed,
12 apparently, in violation of the local rules.

13 MR. DRISCOLL: It was filed without
14 a conference, Your Honor.

15 JUDGE GONZALEZ: It was filed in
16 violation of the local rules.

17 MR. DRISCOLL: Yes, Your Honor.

18 JUDGE GONZALEZ: Move on.

19 MR. DRISCOLL: May we request leave
20 to file such?

21 JUDGE GONZALEZ: Are you talking
22 about whether or not I would grant it right
23 now?

24 MR. DRISCOLL: If the Court doesn't
25 wish to entertain this now, then I will

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2 withdraw the question?

3 JUDGE GONZALEZ: Yes. You may
4 withdraw the question.

5 Go ahead.

6 MR. DRISCOLL: At this juncture I
7 believe WorldCom has made a good faith effort
8 to supply the documents that it has given the
9 circumstances present.

10 JUDGE GONZALEZ: You went through
11 the recitation of the facts as you see them.
12 What do you anticipate happening and when and
13 where will the documents be available?

14 MR. DRISCOLL: The boxes of the 387
15 that WorldCom has identified are in an
16 auxiliary facility of this law firm in Kansas
17 City now. It has taken weeks to get them
18 here, but they are now here. They are
19 currently being examined by legal personnel.
20 I am advised that a review of those boxes
21 will take approximately six to eight weeks,
22 involving approximately six trained people
23 pretty much fulltime.

24 JUDGE GONZALEZ: Where does that
25 six to eight weeks fit into the discovery

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2 time frame?

3 MR. DRISCOLL: Your Honor, it would
4 not fit in at all. In that regard, we would
5 have no problem at all extending that
6 discovery time frame.

7 JUDGE GONZALEZ: Then the documents
8 would be made available in Kansas following
9 your review?

10 MR. DRISCOLL: They would be made
11 available, as the parties agreed under
12 whatever terms the parties think are
13 appropriate. Certainly, here in Kansas City
14 would be one such place. If that is not
15 agreeable, then whatever is.

16 JUDGE GONZALEZ: Parus Holdings,
17 what is your objection to that proposal,
18 other than you may think it took too long to
19 get there?

20 MR. WOOD: I don't have any
21 objection, Your Honor, to concurring with
22 counsel regarding the appropriate location
23 for producing these documents to us. It may
24 be, in fact, depending on the circumstances,
25 more cost effective for us to send some

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2 people to Kansas City. I just don't know at
3 this point, but I am happy to discuss that
4 with counsel. As far as their agreeing to
5 review and produce 387 boxes of documents and
6 reviewing them for responsiveness or
7 producing responsive documents to us at their
8 cost, I have no objection to that whatsoever.

9 I was going to make a suggestion,
10 Your Honor. I think it might make sense at
11 this point and I don't want Debtors' counsel
12 to review all 10,000 boxes of documents. If
13 there are documents in there or boxes of
14 documents that are clearly outside the
15 relevant time frame or clearly unrelated to
16 the issues in this case, I don't want to
17 waste time looking at all 10,000 boxes of
18 documents. I do want them to produce
19 documents that are responsive to our
20 requests. We can take a look at the 387
21 boxes of documents and see where we stand
22 after we have had an opportunity to review
23 them. It may be appropriate, Your Honor, at
24 that point for us to have a informal
25 conference with the Court and advise the

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2 Court as to the status of the document
3 production at that point.

4 JUDGE GONZALEZ: I think it would,
5 because it would seem to me if you get to the
6 300 number, the descriptions on the boxes
7 were reviewed and certain boxes were
8 eliminated, and I would imagine that you may
9 take issue with the elimination of certain
10 boxes based on the information contained in
11 the inventory as to whether that was
12 sufficient enough to make the judgment that
13 these boxes were not related. I imagine that
14 may be an issue.

15 MR. WOOD: That is a good point,
16 Your Honor. As I have been thinking about
17 these issues, what I anticipate that may need
18 to happen here is that we may need to take
19 the deposition of the person most
20 knowledgeable for the Debtors concerning how
21 these documents were stored and how these
22 indexes were created and that sort of thing,
23 so that we can better understand exactly what
24 efforts the Debtors have undertaken to
25 respond to our document requests.

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2 JUDGE GONZALEZ: Based on the
3 Debtors' representation, I don't think Parus
4 is going to see these documents for six or
5 eight weeks, but I guess you would be able to
6 see the list of the 300 or so boxes and match
7 that up against the original list you have?

8 MR. WOOD: Yes. I would imagine
9 that that probably could be provided
10 forthwith.

11 JUDGE GONZALEZ: Do both sides
12 think that August 30th is too soon to react
13 to the proposal that is before me now?

14 MR. WOOD: Do you mean that is the
15 date by which they should be prepared?

16 JUDGE GONZALEZ: No. I mean at
17 that point, I think if you were able to
18 review the list of the 10,000 boxes or review
19 the list of the 300 boxes, you may get a
20 sense at that point as to whether or not you
21 are going to need any further discovery on
22 the whole issue as to whether it was
23 reasonable to pare them down from 10,000 to
24 the 300.

25 MR. WOOD: I think we can do that

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2 by the end of August.

3 JUDGE GONZALEZ: The Debtors?

4 MR. DRISCOLL: Yes. Your Honor,
5 counsel already has the indexes to the
6 documents. We can certainly supply within
7 this week some form of notification for which
8 those were chosen to be pulled and are being
9 examined.

10 JUDGE GONZALEZ: I am going to put
11 off then any further consideration of this
12 until August 30th, and, hopefully, I think
13 what I will do is ask when August 30th is
14 scheduled for this matter, that 45 minutes
15 may be set aside on the calendar in case that
16 time might be necessary.

17 MR. WOOD: The Court is going to
18 set a hearing in this matter for August 30th?

19 JUDGE GONZALEZ: I am going to
20 continue this hearing until August 30th.

21 MR. WOOD: I don't have my calendar
22 in front of me, Your Honor.

23 JUDGE GONZALEZ: I am sure it is a
24 Tuesday.

25 MR. DRISCOLL: My apologies, Your

1 Proceedings

2 Honor, I do have a conflict. It is personal.

3 JUDGE GONZALEZ: I believe we can
4 put it on sometime on Thursday, September
5 1st. Do you have a conflict then?

6 MR. WOOD: Yes, Sir.

7 JUDGE GONZALEZ: When are you out
8 of conflict?

9 MR. WOOD: After Labor Day, Your
10 Honor.

11 JUDGE GONZALEZ: Labor Day, I
12 assume is September 5th?

13 MR. DRISCOLL: I believe it is.

14 JUDGE GONZALEZ: Mr. Perez, do you
15 know if we have WorldCom hearings on
16 September 6th?

17 MR. PEREZ: Your Honor, I don't
18 know whether we have WorldCom hearings on
19 September 6th. I am pretty sure we have them
20 the following week.

21 JUDGE GONZALEZ: On the 13th?

22 MR. PEREZ: It would take me two
23 minutes to check.

24 JUDGE GONZALEZ: Check to see if we
25 have WorldCom on the 6th; and if not the 6th,

1 Proceedings

2 then it would be the 13th.

3 We will begin the next matter. We
4 will get an answer shortly as to whether it
5 will be the 6th or the 13th.

6 (Whereupon, the two matters were
7 called in re WorldCom and a recess was taken
8 until 11:20 a.m.)

9 JUDGE GONZALEZ: Please be seated.

10 MR. PEREZ: Your Honor, just to
11 clean up from, not the last, but the prior
12 matter, I am informed that there is no
13 hearing on the 6th and that the next one is
14 on the 13th.

15 JUDGE GONZALEZ: We will leave it
16 for the 13th. It will be adjusted on the
17 calendar on the 13th. In all likelihood, it
18 will be towards the end. If not late
19 morning, early afternoon.

20 MR. WOOD: I have one question. It
21 might be advantageous to actually supply the
22 Court with these indexes. They are in e-mail
23 form right now, so is it possible to e-mail
24 them to the Court?

25 JUDGE GONZALEZ: Yes. Just check

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with my chambers on the way out and they will
give you an e-mail address.

C E R T I F I C A T E

STATE OF NEW YORK)

: SS:

COUNTY OF NEW YORK)

I, DEBORAH HUNTSMAN, a Shorthand
Reporter and Notary Public within and for the
State of New York, do hereby certify:

That the within is a true and
accurate transcript of the proceedings taken
on the 9th day of August, 2005.

I further certify that I am not
related by blood or marriage to any of the
parties and that I am not interested in the
outcome of this matter.

IN WITNESS WHEREOF, I have hereunto
set my hand this 18th day of August, 2005.


DEBORAH HUNTSMAN

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